

Article - Public Utilities

[\[Previous\]](#)[\[Next\]](#)

§7–709.

(a) An electricity supplier may use accumulated renewable energy credits to meet the renewable energy portfolio standard, including credits created by a renewable on-site generator.

(b) A renewable energy credit may be sold or otherwise transferred.

(c) (1) (i) If an electricity supplier purchases solar renewable energy credits directly from a renewable on-site generator with a capacity that exceeds 10 kilowatts to meet the solar component of the Tier 1 renewable energy portfolio standard, the duration of the contract term for the solar renewable energy credits may not be less than 15 years.

(ii) The minimum required term under subparagraph (i) of this paragraph does not affect the ability of the parties to negotiate a price for a solar renewable energy credit that varies over time in any manner.

(2) (i) An electricity supplier that purchases solar renewable energy credits from a renewable on-site generator with a capacity not exceeding 10 kilowatts shall purchase the credits with a single initial payment representing the full estimated production of the system for the life of the contract.

(ii) The Commission shall:

1. develop a method for estimating annual production from the type of system described in subparagraph (i) of this paragraph and allocating the credits to the electricity supplier in a manner that is consistent with the duration of the contract; and

2. determine the rate for a payment made to a renewable on-site generator under subparagraph (i) of this paragraph.

(d) (1) Except as authorized under paragraph (2) of this subsection, a renewable energy credit shall exist for 3 years from the date created.

(2) A renewable energy credit may be diminished or extinguished before the expiration of 3 years by:

(i) the electricity supplier that received the credit;

(ii) a nonaffiliated entity of the electricity supplier:

1. that purchased the credit from the electricity supplier receiving the credit; or

2. to whom the electricity supplier otherwise transferred the credit; or

(iii) demonstrated noncompliance by the generating facility with the requirements of § 7–704(f) of this subtitle.

(e) Notwithstanding subsection (d)(2)(iii) of this section, and only if the demonstrated noncompliance does not result in environmental degradation, an electricity supplier that reasonably includes in its annual report under § 7–705 of this subtitle a renewable energy credit that is extinguished for noncompliance with § 7–704(f)(1) or (2) of this subtitle:

(1) may continue to rely on that credit for that year; but

(2) for later years must:

(i) demonstrate a return to compliance of the generating facility under § 7–704(f) of this subtitle; or

(ii) replace the credit with a renewable energy credit from another source.

(f) The Commission by regulation shall establish requirements for documentation and verification of renewable energy credits by licensed electricity suppliers and other generators that create and receive credits for compliance with the standards for Tier 1 renewable sources and Tier 2 renewable sources.

[\[Previous\]](#)[\[Next\]](#)